

Financial report

for the years ended December 31, 2019 and 2018

Consolidated balance sheet

ASSETS	2019	2018
Plant assets		
1 Utility plant	\$ 207,260,174	\$ 197,328,239
2 Construction work in progress	140,759	775,927
3 Total utility plant	207,400,933	198,104,166
4 Less accumulated depreciation	78,072,635	73,483,958
5 Net utility plant	129,328,298	124,620,208
Other property and investments		
6 Investments in associated organizations	\$ 52,918,421	\$ 52,107,608
7 Non-utility property-net	1,866,517	2,589,749
8 Notes receivable	8,254	23,732
9 Other investments	1,298,328	917,718
10 Total other property and investments	56,091,520	55,638,807
Current and other assets		
11 Cash and cash equivalents	\$ 14,276,447	\$ 8,023,596
12 Accounts receivable	5,752,743	6,057,514
13 Other accounts receivable	1,435,469	963,113
14 Accrued unbilled revenue	6,749,810	6,453,268
15 Materials and supplies inventory	1,678,736	1,828,753
16 Other current and accrued assets	589,979	550,902
17 Total current and other assets	30,483,184	23,877,146
18 Deferred debits	1,986,922	2,084,146
19 Total assets	217,889,924	206,220,307

EQUITY	2019	2018
Members' equity		
20 Patronage capital	\$ 82,231,493	\$ 81,166,811
21 Other equities	10,376,800	9,124,453
22 Total members' equity	92,608,293	90,291,264

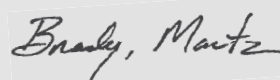
LIABILITIES	2019	2018
Long-term debt (less current maturities)		
23 RUS notes	\$ 52,543,306	\$ 44,036,675
24 Nat. Rural Utilities Co-op Finance Corp	12,357,594	13,429,582
25 CoBank notes	26,590,241	28,612,901
26 Total long-term debt	91,491,141	86,079,158
Current and other liabilities		
27 Current maturities of long-term debt	\$ 4,745,897	\$ 5,009,826
28 Accounts payable	1,822,567	1,507,498
29 Accounts payable-purchased power	9,685,746	8,915,122
30 Consumer deposits	2,076,542	2,006,959
31 Other current and accrued liabilities	8,178,420	6,742,398
32 Total current and other liabilities	26,509,172	24,181,803
33 Deferred credits	7,281,318	5,668,082
34 Total members' equity and liabilities	217,889,924	206,220,307

Statement of operations

	2019	2018
51 Operating revenues	\$ 105,183,005	\$ 106,128,615
52 Deferred revenues	(2,089,244)	(1,300,000)
53 Cost of power	69,402,046	72,355,844
Local operating expenses		
54 Distribution (operations and maintenance)	\$ 7,761,184	\$ 7,461,015
55 Member accounts and service	3,739,682	3,736,080
56 Administrative and general	3,966,085	3,840,239
57 Total local operating expenses	15,466,951	15,037,334
Fixed charges		
58 Property tax	\$ 1,961,136	\$ 1,930,377
59 Depreciation and amortization	6,110,445	5,999,665
60 Interest on long-term debt	3,521,835	3,624,923
61 Total fixed charges	11,593,416	11,554,965
62 Extraordinary items	-	-
63 Net Operating Margins	6,631,348	5,880,472
64 Conservation improvement program	(468,704)	(557,846)
65 Non-operating margins	675,612	630,435
66 Net operating and non-operating margins	6,838,256	5,953,061
67 Generation and transmission and other capital credits	2,276,101	4,052,747
68 Net margins	9,114,357	10,005,808

Letter to the members of Wright-Hennepin Cooperative Electric Association, Rockford, Minn.

Brady Martz & Associates, P.C., an independent certified public accounting firm, has audited Wright-Hennepin Cooperative Electric Association's financial statements for the year ended December 31, 2019. The auditor has issued his unmodified opinion dated February 26, 2020, on the financial statements. Copies of the audited financial statements are on file at the cooperative's office for inspection.



Brady Martz & Associates, P.C.
Grand Forks, N.D.